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CENTRAL INTELLIGENCE AGENCY

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Annex t

Translation

Note: This report was forwarded to Colonel Yelizarov of the SGC Karlshorst

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Brief Report of the VVFB Chemical Products

1. The employees of the VVFB numbered 27 on 1 July 1949 and 45 on 30 May 1950.
2. Fulfilment of the production plan up to 30 April 1950:

1950 production quota	42, 770,000 DM
Fulfilment up to 30 April 1950 including balancing funds	11, 703,200 DM (27.3 percent)

3. Fulfilment of the investment plan:

Approved funds for 1950	1,170,000 DM
Funds consumed, up to 30 April 1950	250,000 DM
1950 funds approved for general repairs	319,000 DM
Repair funds consumed, up to 30 April 1950	60,000 DM

4. Piece work:

Number of piece workers on 30 April 1950	1,020
Total number of employees	2,269
Percentage of piece workers	45 percent

5. Training of apprentices:

Since the beginning of the VVFB the number of apprentices had increased from 11 to 10. There is no professional school nor an apprentice workshop. There is a pressing need to train young and progressive apprentices for accounting and commercial management. The possibilities of employing new apprentices in our plants are extremely limited.

6. Plant protection (state as of 30 April 1950). Nine plants are guarded by a militia of 58 men.
7. Shortage of materials and of western DM. funds. There are no western DM funds to purchase the following pharmaceutical drugs for the VVFB(Z).
Pharmaceutical Products: test gasoline and tung oils for the VVFB(Z) Lacquers and Paints; about 70 percent of the sebacic acid requirements of the VVFB(Z).
Soap Products; 100 percent of the VVFB(Z) Variochem's requirements of "Caprolactam", coal tar oils, benzoic acid, and formiates; rubber and fabrics for the VVFB(Z) rubber products.

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8. Mobilization of Soviet Zone resources. At present the technical office of the VVBB continuously mobilizes and coordinates the domestic resources.
9. Development work and new production.
 - VVB(Z) Pharmaceutical products: "Aneurin" and nicotinic acid (research request).
 - VVB(Z) Lacquers and Paints: newspaper printing colors, indelible ink. Production is to start in June.
 - VVB(Z) Soap products: 80 percent (pure?) baby soap, toilette soap for the IIO (Handelsorganization - Government Trade Organization), washing agents for laundry shops (at present still being developed).
 - VVB(Z) Variochem: Perlion soft soap, Perlion driving belts, raising tablets for hollow rubber objects (Treibtablettchen fuer Gummihohlkoerper), recovery of fats from bleaching clay, windproof safety matches, "Dierama" soldering iron with thermite cartridges. Products being developed are soldering agents, "Mox" burners and "Gesarol" projectiles.
10. Main production plants are the Hammler, Deka, Wehrmann and Spindler plants.
11. Unsettled accounts.
 - Claims on 31 March 1950 : 930,000 DM
 - Liabilities on 31 March 1950 : 1,185,000 DM.
12. Funds of the board of directors on 31 March 1950 : 85,000 DM.

signed Keune.

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